

FISCAL NOTE

HB 160 - SB 275

February 4, 2005

SUMMARY OF BILL: Creates the Microenterprise Development Act. This act requires the commissioner of the Department of Economic and Community Development to establish a grant program that provides funding for qualified nonprofit organizations that provide business training, technical assistance, and financial management skills to businesses with five or fewer employees that would generally have a difficulty obtaining loans or other bank services.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$157,500

Assumptions:

- Establishment of three annual grants in the amount of \$50,000 to each of the three grand divisions of the state.
- No additional positions for the Department of Economic and Community Development.
- Responsibilities regarding selection, processing, and monitoring three additional grantees to establish program would be handled by existing personnel.
- Administrative costs for staff members undertaking additional responsibilities equal to five percent of the grant amount or \$7,500.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director